

Meeting Report
Budget Review Meeting
Saturday, November 6, 2010
Penn Room

Attending: J. Waltman, V. Spencer, F. Acosta, D. Reed, S. Marmarou, M. Goodman-Hinnershitz, D. Sterner, L. Kelleher, D. Cituk, C. Younger, C. Geffken, C. Weidel, G. Mann, D. Kaplan, J. Miravich, K. Mooney, T. McMahon

Mr. Acosta, Finance Chair, called the meeting to order at approximately 9:13 a.m. He announced the ground rules for today's meeting which would provide the necessary focus to get through the day's issues.

Unfunded Debt

Mr. Miravich and Mr. Younger stated that this issue needs to be discussed in Executive Session due to the combination of personnel and litigation issues. The meeting closed for Executive Session at 9:15 a.m. The session reconvened at 10:20 a.m.

RAWA

Mr. Miravich stated that an additional Executive Session is required to discuss this agreement. The meeting closed for an Executive Session at 10:22 a.m. The meeting reconvened at 10:50 a.m.

Budget Options

Mr. Acosta stated that the spreadsheet displayed was delivered via e mail last night by Mr. Waltman. Ms. Kelleher distributed hard copies at the meeting.

- Indemnity expense – agreement to decrease by \$300K
- Library Lighting and Power – agreement to eliminate this expense as the Library covers these costs.
- Animal Rescue League – increase this line item by \$13K due to the existing contract
- Business Privilege Tax – currently projected at \$1.2M, no change recommended
- District Court – Mr. Cituk stated that after further review he recommends no change due to current trending
- Direct Reimbursement Sewer – no change recommended
- User Fees (EMS) – no change recommended
- Linebarger (located in Per Capita Prior and Housing Prior) – no change recommended
- Trash and Recycling Debt Collection – no change recommended
- 2010 Land Sale (122 parcel at Ontelaunee water shed) – agreement to offer to RAWA

first

- Other Miscellaneous Adjustments – discuss Monday November 8th
- EIT – agreement to increase by \$200K; discussion on lack of collection activities for those who do not pay, potential improvement in 2012 expected via Berks EIT efforts
- Contingency – line item projected at 1.5% of the budget for best practice; discussion on reducing by \$176K – discuss further
- Sewer Unfunded Debt and Interest - \$4.5 M repaid, \$7.5 due remaining \$9.5 covers other GF needs
- Citizens Services Center – Net savings of \$700K identified by Administration, elimination of RSD collection fee of approximately \$550K not applicable as eliminated through Act 32 requirements for the use of one tax collector; Center to locate in Tax Office for 2-3 years to test success rate; Capital Project to relocate Penn Room delayed until success rate of Center proven; Granicus system to be installed in Penn Room
- Operational Reductions – to be discussed on Monday November 8
- Pension & Fringe Benefits – to be discussed Monday November 8
- RAWA – no change recommended
- BCTV – transfer GF allocation to Library for repairs and maintenance projects; retain \$75K allocation in CDBG Action Plan only
- Law Human Services – Auditor recommends reducing by \$20K to \$55K. He stated that the large expenses over prior years were due to extenuating circumstances
- OT Expenses – no change recommended; note that Police OT reduced in 2010 and stayed within budgeted amounts
- City Council Staff – Administration agrees to reinstate Adm. Assistant, note that Council staff provides support to 8 boards, authorities and commissions, performs records management for the City in addition to Council directives and projects; approximately 75% of City Clerk salary reimbursed by indirect costs
- Additional Legal Staff – agreement to retain services of additional attorney and increase attorney salaries by 5%; total cost approximately \$92K
- Police manning – Administration agrees to add six (6) officers increasing staffing to 169 officers; the Chief desires 179 officers – discuss Monday November 8
- Unemployment – reduce by \$75K
- Tax Collection – discuss Monday November 8
- Property Tax Collection – discuss Monday November 8

Handouts for Fringe Benefits, Pensions, Sewer Fund Transfers, EIT Comparison between Reading and Lancaster, Allentown and Bethlehem, GF Summary 2005-2009, and Personnel and Labor Agreements were distributed.

The meeting adjourned at approximately 1:30 p.m.

Respectfully submitted by Linda A. Kelleher CMC, City Clerk